



POLICE DEPARTMENT CITY OF NEW YORK

December 30, 2015

MEMORANDUM FOR: Police Commissioner

Re: Police Officer Paul Perpall
Tax Registry No. 953244
Transit Bureau Response Team
Disciplinary Case No. 2014-11854

Charges and Specifications:

1. Said Police Officer Paul Perpall, while assigned to the Transit Bureau, on or about October 4, 2013, engaged in conduct prejudicial to the good order, efficiency, or discipline of the Department in that said Police Officer wrongfully submitted documentation in support of a primary residential mortgage application for a property in [REDACTED], Pennsylvania, which falsely stated that said property would be his primary residence.

P.G. 203-10, Page 1, Paragraph 5 - PUBLIC CONTACT -
PROHIBITED CONDUCT - GENERAL REGULATIONS
Pennsylvania Consolidated Statutes, Sections 4911(a)(1)&(2)

2. Said Police Officer Paul Perpall, while assigned to the Transit Bureau, on or about and between May 29, 2014 and April 2, 2015, engaged in conduct prejudicial to the good order, efficiency, or discipline of the Department in that said Police Officer wrongfully impeded an official Department investigation by making misleading or otherwise inaccurate statements during three (3) official Department interviews conducted by members of the Internal Affairs Bureau regarding his submission of documentation in support of a mortgage application for a property in [REDACTED], Pennsylvania.

P.G. 203-10, Page 1, Paragraph 5 - PUBLIC CONTACT - PROHIBITED
CONDUCT GENERAL REGULATIONS

Appearances:

For Department Advocate's Office: Samuel Yee, Esq.
For Respondent: John Tynan, Esq.

Hearing Date:

November 24, 2015

Decision:

Specification One: Guilty.

Specification Two: Guilty.

Trial Commissioner:

ADCT Jeff S. Adler

REPORT AND RECOMMENDATION

The above-named member of the Department appeared before me on November 24, 2015. Respondent, through his counsel, entered a plea of Not Guilty to the subject charges. The Department called Sergeant Rainer Kroll, Sergeant Terrence Smithson and Detective Adam Singer as witnesses. Respondent called Kaisha Williams as a witness and Respondent testified on his own behalf. A stenographic transcript of the trial record has been prepared and is available for the Police Commissioner's review.

DECISION

After reviewing the evidence presented at the hearing, and assessing the credibility of the witnesses, I find Respondent Guilty of the charged misconduct in each of the two specifications.

FINDING AND ANALYSIS

On October 4, 2013, Respondent purchased from his aunt Kaisha Williams a house [REDACTED] The mortgage file contains several documents that indicate Respondent would be using the property as his primary residence. Included among these documents are forms signed or initialed by Respondent, as well as supplemental letters dealing with the residence question as it related to his job. In three interviews with IAB, Respondent maintained that he never intended to use the house as his primary residence, and that he did not knowingly submit any documents that

indicated otherwise. The first issue here is whether Respondent wrongfully submitted documentation falsely stating that the property would be used as his primary residence; I find that he did. The second issue is whether Respondent impeded IAB's investigation by making misleading or inaccurate statements to investigators during the interviews; I find that he did.

Sergeant Rainer Kroll of IAB, who handled the investigation, provided undisputed background information necessary for assessing this matter. Kroll explained that the mortgage was provided by Evolve Bank and Trust, and was classified as a "primary residence" mortgage resulting in a lower interest rate for Respondent. The primary residence mortgage also required less of a down payment. Several weeks after the closing, Evolve, which had earned a fee of approximately \$12,000 in connection with the closing, attempted to sell the mortgage to Wells Fargo for an additional profit. However, Wells Fargo declined the offer because of concerns that something was amiss with the mortgage, which eventually led to this investigation. (Tr. 69, 76-77, 84-85)

Several documents which were signed or initialed by Respondent in connection with the closing state that the property would be occupied as his primary residence. For instance, on page 1 of the clearly labeled "Affidavit of Occupancy" (Dept. Ex. 4), signed by Respondent and his wife, a box is checked off indicating that the property will be a "Primary Residence". On page 4 of the "Mortgage" document (Dept. Ex. 5), initialed by Respondent, it states that the property will be used as Respondent's "principal residence" within 60 days. The first page of the "Uniform Residential Loan Application" (Dept. Ex. 6), signed and dated by Respondent on August 23, 2013 (page 3), also clearly marks that

the property will be his "Primary Residence". There is no dispute that Respondent signed and/or initialed each of these documents.

There is disagreement, however, regarding certain additional documents connected with the mortgage file. For instance, the file also includes two letters dated October 1, 2013, purportedly signed by Respondent, that state that he and his wife will be living at the Pennsylvania address; Respondent denied drafting or signing either letter. (Tr. 207-208) The first letter (Dept. Ex. 2) indicates that after the closing, the Pennsylvania house will be their "new address." The second letter (Dept. Ex. 3) is more detailed, stating that Respondent works for the transit bureau of the NYPD, with a mid-town Manhattan assignment that will allow him to commute to Pennsylvania after work. That letter also correctly indicates that Respondent's wife is three-months pregnant with their first child. (Tr. 199) The detailed nature of this second letter strongly suggests that in the very least, it was prepared with input from Respondent.

Less compelling, though, are the purported signatures on each of these two letters. Detective Adam Singer of the Questioned Documents Unit was qualified as an expert in forensic document analysis and examination. The detective testified credibly that from his handwriting analysis, he concluded that the signatures on each of the two letters were those of Respondent. (Tr. 148-149) However, counsel for Respondent alertly noted the conclusion in Singer's report that the two signatures on the letters had an "unusually high degree of similarity". (Dept. Ex. 15) Singer explained that one would not normally expect that a person would twice sign his name as identically as those two signatures appear, suggesting that at least one might be a copy. Since no original was provided by the Department, the expert could not rule out the possibility that one or both of the

signatures were Photoshopped. (Tr. 161-164, 171) This tribunal is not prepared to conclude, therefore, that Respondent actually signed either of the two letters. However, this tribunal does agree with the Advocate's argument that the specificity of the second letter makes it more likely than not that at a minimum, Respondent participated in the preparation of that letter, which was included as part of the closing file.

Also in dispute are two undated letters in the file which purportedly were written by supervisors of Respondent several days after the closing. The first letter (Dept. Ex. 11) is from a "Lt. Joseph Davidson", stating that on his off-days, Respondent was free to go to Pennsylvania. Respondent denied any involvement with this letter, which is an apparent forgery since "Lt. Davidson" is a fictitious character, and the phone number beneath his name on the letter was actually that of Kaisha Williams' husband, Bernie Williams. (Tr. 53, 204) Respondent did, however, acknowledge preparing and submitting the second letter (Dept. Ex. 12), which is from his actual supervisor, Lieutenant Joseph Rauchet. Respondent explained that a loan officer had asked him to obtain a letter from his direct supervisor verifying his employment with NYPD. (Tr. 202) Toward that end, Respondent drafted and had Rauchet sign the letter, which states that Respondent is permitted to own the home in Pennsylvania as long as he resides in New York on his work days. Respondent then forwarded the letter to the loan officer. (Tr. 205)

What is most noteworthy about this second letter is how similar it is in form to the phony "Lt. Davidson" letter that Respondent denied preparing. Both undated letters, which are left justified without indentation, begin with the same "To Whom it May Concern," greeting at the same location on the page, both begin with "I, LT. _____, am

writing this letter on behalf of Police Officer Paul Perpall", and both conclude with a "Thank You," that appears at almost the exact same distance above the signature line. Since Respondent admitted to drafting the "Lt. Raucher" letter, it is reasonable to conclude that Respondent was similarly involved in the preparation of the "Lt. Davidson" letter, and this tribunal does not credit Respondent's claim to the contrary.

Kroll also communicated through phone and e-mail with several current and former employees of Evolve who were involved with the closing; they all denied that they had signed Respondent's name to Department Exhibits 2 & 3. Similarly, Sergeant Smithson spoke with the woman who notarized the signatures at the closing; she denied having seen the two October 1 letters at the closing. This information was of limited probative value, though, since neither the employees nor the notary actually appeared to testify. (Tr. 55-57, 62-63, 65-69, 85, 94-95)

Kaisha Williams, Respondent's aunt, testified that she decided to sell the house to Respondent because she feared she otherwise would lose the property due to back taxes owed. In order to keep the house in the family, Respondent would purchase it and then allow his aunt and her family to continue to live there while Respondent collected rent; Ms. Williams does, in fact, continue to reside in the house. (Tr. 187-188, 190-191)

Williams explained that she was referred to a mortgage broker named Evette Atkins, who she and Respondent retained to assist in obtaining a mortgage. (Tr. 182-183) According to Williams, she and Respondent discussed with Atkins the question of an out-of-state residence in light of the requirements of Respondent's NYPD job, and that the broker reassured them that she knew how to deal with the issue. (Tr. 185-186) However, given

her family relationship to Respondent, and the way he helped her to keep the house in the family, her testimony on this point is of minimal value.

Respondent, himself, who has been with the Department since July 11, 2012, echoed the testimony of his aunt as to how the purchase of the house and the closing were arranged. He denied knowingly submitting any documents that indicated the Pennsylvania home would be his primary residence. Respondent explained that he had no attorney for the closing; he claimed that the forms were rapidly placed in front of him, so that he signed these documents without realizing that any of them indicated the house would be his primary residence. (Tr. 217-221) Respondent suggested that the mortgage broker, Ms. Atkins, might be responsible for the submission of these documents, including the supplementary letters; however, any such claim is purely speculative. Indeed, the fact that the name "Evette Atkins" was never even mentioned by Respondent during his IAB interviews further undermines the validity of any such claim. Additionally, both parties stipulated that the name "Evette Atkins" does not appear anywhere in the closing documents. (Tr. 225)

Rather, in light of Respondent's clear motive to get the benefits of a lower interest rate and a lower down payment associated with a primary residence mortgage, this tribunal is persuaded that it is more likely than not that the documentation submitted on his behalf was done with his knowledge and participation. By Respondent's own admission, the mortgage broker discussed with him that there was an issue regarding residency and his employment with NYPD, and so Respondent was aware from the start that he would have to deal with a potential complication connected with his purchase of an out-of-state property. (Tr. 201-202) Toward that end, he signed off on several

documents indicating that the property would be his primary residence, participated on some level in the preparation of at least one of the October 1 letters reflecting his intention to commute to work from Pennsylvania, and was involved in the preparation of a fake letter from an imaginary supervisor. Accordingly, I find Respondent guilty of wrongfully submitting documentation in support of a primary residence mortgage application.

With respect to the second specification charging that Respondent impeded the Department's investigation, Kroll testified that he twice interviewed Respondent, first on May 27, 2014,¹ then on December 4, 2014. A recording of those interviews (Dept. Ex. 8) along with the accompanying transcripts (Dept. Exs. 9 and 10) reveal that Respondent repeatedly denied any knowledge that documents were submitted in support of a "primary residence" mortgage. He admitted to drafting the letter from Lt. Rauchet, but denied any knowledge of the fake "Lt. Davidson" letter. Sergeant Terrence Smithson interviewed Respondent a third time on March 26, 2015. A recording of that two-part interview (Dept. Ex. 16), along with the accompanying transcripts (Dept. Exs. 17 and 18), reveal that Respondent denied any knowledge of the two October 1 letters, and still insisted that he didn't realize he was applying for a primary rate mortgage. (Tr. 51-55, 117) As such, not only did Respondent wrongfully submit documentation in connection with his mortgage application, he also mislead IAB investigators on three separate occasions by continuing to deny any knowledge or involvement in the submission of these documents. Accordingly, I find him guilty of Specification Two.

¹ Although Specification 2 charges conduct "on or about and between May 29, 2014 and April 2, 2015," the actual date of the first IAB interview was May 27, 2014.

PENALTY RECOMMENDATIONS


In order to determine an appropriate penalty, Respondent's service record was examined. See *Matter of Pell v. Board of Education*, 34 NY 2d 222 (1974). Respondent was appointed to the Department on July 11, 2012. Information from his personnel record that was considered in making this penalty recommendation is contained in an attached confidential memorandum. Respondent has no prior disciplinary history.

The Department asks that Respondent forfeit twenty (20) vacation days, and that suggestion is reasonable under the facts of this case. Not only did Respondent submit false documents in connection with his purchase of an out-of-state house, he compounded the situation by making misleading statements during his IAB interviews. In *Disciplinary Case No. 12069/14* (March 26, 2015), an eight-year officer with no disciplinary history forfeited twenty (20) vacation days as part of a plea negotiation for, among other offenses, falsifying address information on a school enrollment application for his son. That penalty seems appropriate here as well.

Accordingly, I recommend that Respondent's penalty be the forfeiture of twenty (20) vacation days.

Respectfully submitted,

APPROVED

FEB 04 2016

WILLIAM J. BRATTON
POLICE COMMISSIONER



Jeff S. Adler
Assistant Deputy Commissioner Trials



POLICE DEPARTMENT CITY OF NEW YORK

From: Assistant Deputy Commissioner Trials
To: Police Commissioner
Subject: CONFIDENTIAL MEMORANDUM
POLICE OFFICER PAUL PERPALL
TAX REGISTRY NO. 953244
DISCIPLINARY CASE NO. 2014-11854

On his three most recent performance evaluations, Respondent twice received an overall rating of 4.0 "Highly Competent" and once received an overall rating of 3.5 "Highly Competent/Competent." [REDACTED]

[REDACTED] He has no formal disciplinary history.

Jeff S. Adler
Assistant Deputy Commissioner Trials